

**SUMMARY ANALYSIS OF AMENDED BILL**

Author: Jones Analyst: Deborah Barrett Bill Number: AB 779  
 Related Bills: See Prior Analysis Telephone: 845-4301 Amended Date: July 3, 2007  
 Attorney: Patrick Kusiak Sponsor: \_\_\_\_\_

**SUBJECT:** State Agencies Notify California Resident & Office Of Privacy Protection Of Breach in Security Of Data/Required Information To Be Included In Notification

- \_\_\_\_ DEPARTMENT AMENDMENTS ACCEPTED. Amendments reflect suggestions of previous analysis of bill as introduced/amended \_\_\_\_.
- \_\_\_\_ AMENDMENTS IMPACT REVENUE. A new revenue estimate is provided.
- \_\_\_\_ AMENDMENTS DID NOT RESOLVE THE DEPARTMENT'S CONCERNS stated in the  
☒ previous analysis of bill as amended June 1, 2007.
- \_\_\_\_ FURTHER AMENDMENTS NECESSARY.
- \_\_\_\_ DEPARTMENT POSITION CHANGED TO \_\_\_\_.
- \_\_\_\_ REMAINDER OF PREVIOUS ANALYSIS OF BILL AS AMENDED June 1, 2007, STILL  
☒ APPLIES.
- \_\_\_\_ OTHER – See comments below.

**SUMMARY**

This bill would do the following:

- Prohibit a state agency from retaining payment related data, and
- Require that the Office of Privacy Protection (OPP) be provided a copy of the substitute notice issued when a breach of security of a system containing personal information has occurred.

**SUMMARY OF AMENDMENTS**

The July 3, 2007, amendments made nonsubstantive changes to the bill's provisions. The amendments did not resolve the "Implementation Consideration" identified in the department's analysis of the bill as amended June 1, 2007, which is repeated here for convenience. The July 3, 2007, amendments created a new technical consideration that is discussed in this analysis. The remainder of the department's analysis of the bill as amended June 1, 2007, still applies.

Board Position:

\_\_\_\_ S      \_\_\_\_ NA      \_\_\_\_ NP  
 \_\_\_\_ SA      \_\_\_\_ O      \_\_\_\_ NAR  
 \_\_\_\_ N      \_\_\_\_ OUA      ☒ PENDING

Legislative Director

Date

Brian Putler

7/12/07

## **POSITION**

Pending.

## **IMPLEMENTATION CONSIDERATIONS**

Because the majority of the Franchise Tax Board's (FTB) transactions with taxpayers are payments of tax obligations, rather than purchases of goods or services, the department would interpret the bill's provisions to have no application to FTB. If it is the author's intention that these requirements apply to tax payments made to FTB, it is recommended that payments for purposes other than goods and services be expressly included.

## **TECHNICAL CONSIDERATIONS**

On page 7, line 13, "breach" was struck out and "date or estimated date" inserted. To be consistent with similar amendments made on page 4, line 34, the second use of "breach" in the sentence on line 14 is where the amendment should have been made.

## **LEGISLATIVE STAFF CONTACT**

Deborah Barrett  
Franchise Tax Board  
(916) 845-4301  
[Deborah.Barrett@ftb.ca.gov](mailto:Deborah.Barrett@ftb.ca.gov)

Brian Putler  
Franchise Tax Board  
(916) 845-6333  
[brian.putler@ftb.ca.gov](mailto:brian.putler@ftb.ca.gov)